

CDA Redevelopment

Agency Budget by Fund

Fund	2020 Actual	2021 Adopted	2021 Actual	2022 Adopted	2023 C2C	2023 Request
CDA	617,764	1,465,996	446,137	1,590,594	1,559,004	597,468
Total	617,764	1,465,996	446,137	1,590,594	1,559,004	597,468

Agency Budget by Service

Service	2020 Actual	2021 Adopted	2021 Actual	2022 Adopted	2023 C2C	2023 Request
Redevelopment	617,764	1,465,996	446,137	1,590,594	1,559,004	597,468
Total	617,764	1,465,996	446,137	1,590,594	1,559,004	597,468

Agency Budget by Major-Revenue

Major Revenue	2020 Actual	2021 Adopted	2021 Actual	2022 Adopted	2023 C2C	2023 Request
Intergov Revenues		(391,188)	-	(391,188)	(391,188)	-
Charges For Services	(25,932)	(251,640)	(23,300)	(252,600)	(252,600)	(116,317)
Invest Other Contrib	(193,446)	(73,566)	(96,527)	(73,566)	(73,566)	(100,218)
Misc Revenue		(650)	(27,650)	(35,650)	(35,650)	(164,933)
Other Finance Source	56,119	(748,952)	(298,659)	(681,590)	(650,000)	-
Transfer In	(454,505)	-	-	(156,000)	(156,000)	(216,000)
Total	(617,764)	(1,465,996)	(446,137)	(1,590,594)	(1,559,004)	(597,468)

Agency Budget by Major-Expense

Major Expense	2020 Actual	2021 Adopted	2021 Actual	2022 Adopted	2023 C2C	2023 Request
Salaries	100,965	214,196	222,776	230,823	193,817	321,412
Benefits	(31,818)	67,878	25,251	82,652	71,165	71,165
Supplies	8,034	26,840	1,121	26,840	26,840	1,300
Purchased Services	27,584	84,883	115,896	127,050	127,600	72,859
Debt Othr Financing	512,999	444,593	81,094	276,679	368,032	130,732
Inter Depart Charges	-	-	-	-	-	-
Transfer Out	-	627,606	-	846,550	771,550	-
Total	617,764	1,465,996	446,137	1,590,594	1,559,004	597,468

TO: Dave Schmiedicke, Finance Director
FROM: Matt Wachter
DATE: July 22, 2022
SUBJECT: 2023 Operating Budget Transmittal Memo
CC: Mayor; Deputy Mayors; Budget & Program Evaluation Staff; Anne Slezak;
Larry Kilmer

Goals of Agency's Operating Budget

The Community Development Authority (CDA) Redevelopment's goals as advanced by the 2023 Operating Budget remain the same as the CDA's state established charge which is to create more affordable housing options of better quality to address housing insecurity and discriminatory housing practices as well as supporting economic activities for marginalized populations.

The Redevelopment's activities directly respond to the Elements of a Great City as laid out by the Neighborhoods and Housing Element. "Affordable housing was a consistently identified priority throughout the Imagine Madison process. Participants emphasized the need for more affordable housing that is well served by transportation options and amenities...Affordable housing must go beyond simply low-cost housing. It must be clean, safe, fit the needs of the household. All housing, regardless of price, should meet standards of quality and provide a safe, healthy environment for those living there." (Imagine Madison, page 52) Redevelopment aims to meet the needs of current tenants and to also create more opportunities for similar future tenants by giving tenants a place they are proud to call home.

The CDA remains committed to its initiatives at the Monona Shores Apartments, Burr Oaks Senior Housing, Revival Ridge Apartments, Reservoir Apartments, and the commercial space at the Village on Park as well as promoting many other community initiatives.

Although many of the Redevelopment's activities occur through budgetary insignificant actions, the Redevelopment is very active and would like to note the below activities for which the CDA is partnering with the community to advance neighborhood lead projects not reflected in the CDA's proposed budget:

-Construction of La Mariposa Lane – The CDA is partnering with other City departments & Bayview on a new street segment to create easier access for first responders.

-Redevelopment of Theresa Terrace – The CDA is working with HUD to redevelop a currently inhabitable 4-Plex into affordable townhouse units. The CDA will sell the units for \$1 a unit to the CDA's non-profit arm, MRCDC.

-Restructuring of the Livery at the Reservoir – The Livery at the Reservoir apartments has long been an unused space. The CDA in conjunction with zoning is working to re-zone the space from commercial use to residential in order to convert the area into additional affordable housing units.

-Redevelopment of Centro Hispano – The CDA contributed a parcel of land north of Burr Oaks, at no cost, to be redeveloped by Centro Hispano into a new headquarters facility at the corner of Hughes Place and Cypress Way, which is projected to be completed in 2023.

-Village on Park - Initial planning for the proposed Phase 3 housing component along Ridgewood Way, as recommended by the adopted Village on Park Master Plan, is expected to occur during 2023 as CDA continues to make progress on construction of a multistory parking garage on the south end of the site. The CDA is in the process of selling a parcel of land of the Village on Park to Urban League for \$1. Urban League is using the space to create a Black Business Hub.

Racial Equity and Social Justice

Housing insecurity and discriminatory housing practices which have been a significant historical driver in creating inequity and preventing the acquisition of intergenerational wealth for lower income families. The CDA Board has long expressed its dedication to advancing equity throughout all of Madison by providing affordable housing options, addressing gentrification, and creating economic opportunities for marginalized communities. Although many of the Redevelopment's activities occur through budgetary insignificant actions, the Redevelopment supports many community lead activities to promote equity.

Per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

- 1) "Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes."
- 2) "Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion."

Major Changes in the 2023 Operating Request

Although our 2023 budget shows a decrease of \$993,126 the CDA Redevelopment is operating at the same high level of engagement as previous years. The reduction is a reflection of the final single family home sales at Mosaic Ridge occurring in 2022.

Mosaic Ridge continues to be a positive experience for the CDA which will continue to be a building block for future opportunities of a similar nature.

The CDA appreciates its close relationship with the community and City. The need for stable, affordable housing and economic opportunities in our community has never been greater, and the CDA looks forward to being a partner in the solution.

Sincerely,



Matt Wachter
Executive Director
Community Development Authority

2023 Operating Budget

Service Budget Proposal

PART 1: IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

CDA Redevelopment ▼

SELECT YOUR AGENCY'S SERVICE:

Redevelopment ▼

SERVICE NUMBER:

911

SERVICE DESCRIPTION:

This service is responsible for the Community Development Authority's (CDA) housing, economic, and redevelopment initiatives in the City of Madison. CDA Redevelopment manages Monona Shores Apartments, Burr Oaks Senior Housing, Revival Ridge Apartments, Reservoir Apartments, and commercial space at the Village on Park. Active CDA Redevelopment projects include single-family home construction in the Allied Drive neighborhood and redevelopment of aging public housing units. The goals of this service are to provide high-quality housing for low-income households and to undertake redevelopment activities that strengthen low and moderate-income neighborhoods.

Are any updates required for the "Service Description"?

Activities performed by this Service

Activity	% of Effort	Description
Redevelopment	100	This service is responsible for the Community Development Authority's (CDA) housing, economic, and redevelopment initiatives in the City of Madison. CDA Redevelopment manages Monona Shores Apartments, Burr Oaks Senior Housing, Revival Ridge Apartments, Reservoir Apartments, and commercial space at the Village on Park. Active CDA Redevelopment projects include single-family home construction in the Allied Drive neighborhood and redevelopment of aging public housing units. The goals of this service are to provide high-quality housing for low-income households and to undertake redevelopment activities that strengthen low and moderate-income neighborhoods.

Insert item

Citywide Element

<https://imaginemadisonwi.com/document/comprehensive-plan-adopted>

Neighborhoods and Housing ▼

Describe how this service advances the Citywide Element:

The population served by the CDA Redevelopment are people of color, residents with legally defined disabilities, and low income families. This represents populations historically discriminated against and in need of affordable housing. Redevelopment aims not only in meeting the needs of current tenants, but to also creates more opportunities for similar tenants, while updating very dated buildings giving tenants a place they are proud to call home. "Affordable housing was a consistently identified priority throughout the Imagine Madison process. Participants emphasized the need for more affordable housing that is well served by transportation options and amenities...Affordable housing must go beyond simply low-cost housing. It must be clean, safe, fit the needs of the household. All housing, regardless of price, should meet standards of quality and provide a safe, healthy environment for those living there." (Imagine Madison, page 52)

Part 2: Base Budget Proposal

BUDGET INFORMATION

	2020 Actual	2021 Adopted	2021 Actual	2022 Adopted	2023 C2C	2023 Request
<i>Budget by Fund</i>						

General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$617,764	\$1,465,996	\$446,137	\$1,590,594	\$1,559,004	\$597,468
Total	\$617,764	\$1,465,996	\$446,137	\$1,590,594	\$1,559,004	\$597,468
Budget by Major						
Revenue	(\$617,764)	(\$1,465,996)	\$127,571	(\$1,590,594)	(\$1,559,004)	(\$597,468)
Personnel	\$69,147	\$282,074	\$248,027	\$313,475	\$264,982	\$392,577
Non-Personnel	\$548,618	\$1,183,922	\$198,110	\$1,277,119	\$1,294,022	\$204,891
Agency Billings	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1	\$0	\$573,708	\$0	\$0	\$0

Part 3: Service Budget Changes

General Fund agencies may propose changes that are net neutral to their budget. Non-general fund supported agencies may propose changes that they can support with revenue.

Proposed Changes

Fund	Major	Org	Object	\$ Change	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
TOTAL				\$0.00	

Insert item

What are the service level impacts of the proposed funding changes?

There are no service level impacts.

Explain the assumptions behind the changes.

Revenue - 62% Decrease - \$993,126

Personnel - 25% Increase -\$79,102

Non-Personnel - 84% Decrease - \$1,072,228

What is the justification behind the proposed change?

Revenue - 62% Decrease - Reflects the Mosaic Ridge Final Sales occurring in 2022

Personnel - 25% Increase - Reflects CDA Operations staff allocations as time studies indicate the increase of staff time spent on Redevelopment projects & Asset Management

Non-Personnel - 84% Decrease - Reflects the Mosaic Ridge Final Sales occurring in 2022

Are you proposing any personnel allocation changes?

Yes

If yes, you must complete a position allocation change form.

The form is available on the SharePoint Budget page <http://share/sites/Finance/Budget/SitePages/Operating.aspx>

Completed forms should be uploaded to your agency folder

<http://share/sites/Finance/Budget/AgencyOperatingMaterials/Forms/AllItems.aspx>

Have you submitted a position allocation change form?

Yes

Part 4: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Prioritize equity over equality. "Equity" is often conflated with the term "equality" (meaning sameness). Equity implies that an individual may need to experience or receive something different (not equal) in order to achieve fairness and access.

We encourage you to focus on how this service impacts marginalized populations and addresses the greatest needs, instead of discussing how the service will benefit everyone equally.

1. What specific inequities does this service intend to address? How and for whom?

Redevelopment is a service designed to create more affordable housing options of better quality to address housing insecurity and discriminatory housing practices which have been a significant historical driver in creating inequity and preventing the acquisition of intergenerational wealth for lower income families as well as supporting economic activities for marginalized populations. The CDA Board has long expressed its dedication to advancing equity throughout all of Madison by providing affordable housing options, addressing gentrification, and creating economic opportunities for marginalized communities. Although many of the Redevelopment's activities occur through budgetary insignificant actions, the Redevelopment supports many activities to promote equity. An example of this is the sale of a parcel of land of the Village on Park to Urban League for \$1. This sale although not considered financially significant in the budget process is allowing for the creation of a Black Business Hub on Madison's South Side.

Per the Government Alliance on Race and Equity (GARE), there are two foundational equity elements used in creating a framework for advancing equitable development:

- 1) "Strong communities and people. People and communities with stability and resilience in the face of displacement pressures fare better. An intact community in which people are able to have high quality jobs and financial security; culturally appropriate goods, services, and support; and strong social networks that support the acceptance of a range of cultures has better outcomes."
- 2) "Great places with equitable access. A city where all neighborhoods are healthy, safe, and afford their resident access to the key determinants of well-being which promotes inclusion."

2. What data helped shape your proposal? Data includes qualitative and quantitative information such as community input, demographics, qualified census tracts, environmental justice areas, and other sources. Additionally, include specific recommendations from a Racial Equity and Social Justice Analysis, if available.

Redevelopment decisions are based on the structure's current health, adaptability to the physical & social needs of tenants as well as important feedback gained from continual tenant & community engagement efforts.

3. Is the proposed budget or budget change related to a recommendation from a Neighborhood Resource Team (NRT)? If yes, please identify the NRT and recommendation. Be as specific as possible.

Allied Drive NRT, Hammersley/Theresa NRT, Southside NRT

Part 5: Proposed Budget Reduction

Agencies are asked to provide a 1% reduction to their general, library, and internal service (e.g. fleet) fund budgets to address the City's structural deficit.

Enterprise Agencies: Enterprise agencies are not required to propose reductions, as long as there are sufficient revenues to cover proposed expenses. Enterprise agencies may skip this section and move to Part 6.


What is 1% of the agency's net budget (general, library, and fleet funds only)?

What is the proposed reduction to this service's budget?

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

If you are proposing revenue increases or other types of changes to meet your net budget reduction, contact your budget analyst to discuss how to enter the information in the form.

Activity	\$Amount	Description
		N/A
Total	\$0	

 Insert item

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		N/A
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities?

Has this reduction been proposed in prior years?

Select... ▼

Does the proposed reduction result in eliminating permanent positions?

Select... ▼

Does the proposed reduction impact other agencies (e.g. administrative or internal service agencies such as IT, Finance, HR, Fleet)?

Select... ▼

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. How can impacts of this reduction be mitigated?

Part 6: Optional Supplemental Request

Town of Madison: Agencies requesting additional funding for Town of Madison (ToM) services should enter funding requests below. Enter ToM requests in the most relevant service. You can enter multiple rows for ToM activities as needed. Include "Town of Madison" or "ToM" in the activity name.

Supplemental Request: Agencies may submit one (1) supplemental request in their 2023 budget request. Please include the request in the most relevant service. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description
		N/A
Total	0	

Insert item

Explain the changes by major expenditure category that your agency would implement as a result of the funding increase to this service.

Name	\$Amount	Description
Personnel		N/A
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

Select... ▼

Describe why the proposed increase is critical.

Save/Submit